

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

SB 3120 - HB 3654

March 1, 2010

SUMMARY OF BILL: Requires the Department of Labor and Workforce Development (DOL) to coordinate with the Tennessee Higher Education Commission and the Department of Human Services (DHS) to prepare a state plan for the creation of a green jobs program. Creates the Green Jobs Fund for the purpose of providing grants for the administration of green jobs programs. Requires Temporary Assistance to Needy Families (TANF) emergency funds and emergency contingency funds be transferred into the Green Jobs Fund. Authorizes other federal transfers, appropriations, distributions, gifts, grants and donations be allocated to the Green Jobs Fund. Requires DOL to report to the legislature each December regarding activities related to this program.

ESTIMATED FISCAL IMPACT:

**Increase State Expenditures – \$203,600/Recurring/Green Jobs Fund
\$36,000/One-Time/Green Jobs Fund**

Other Fiscal Impact – A portion of the revenue in the Green Jobs Fund will be generated from General Fund appropriations exceeding \$100,000, resulting in an increase to recurring General Fund expenditures exceeding \$100,000.

Assumptions:

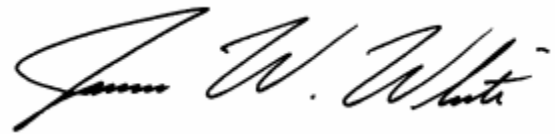
- According to DHS and based on information in the U.S. Office of Management and Budget Circular Number A-87, TANF funds cannot be transferred to the Green Jobs Fund. Based on information in the United States Social Security Act, and the Recovery and Reinvestment Act of 2009, TANF funds are used to reimburse the state for specific approved expenditures and cannot be transferred into a state fund as this bill describes. According to DHS, this bill would risk the use TANF funding by using the funds in ways not provided for by federal regulations.
- Funding for the Green Jobs Fund will come from state appropriations, distributions, gifts, grants and donations. It cannot be reasonably determined what amount if any will be donated or given to the fund as a gift.
- Green Jobs Fund revenue from gifts, grants, and donations will not be significant. Any additional amount needed for the development and administration of programs will be appropriated from the General Fund.
- According to DOL, additional staff would be needed to develop and implement the green jobs programs. One Grants Program Manager position, one Administrative Services Assistant 1 position, one Secretary position, and one Program Monitor 3

position would be needed. Recurring state expenditures associated with these four positions will be approximately \$203,600 (\$113,200 salaries, \$38,500 benefits, \$51,900 operational). One-time costs associated with creating four additional positions will be \$16,000 dollars (computer equipment and office supplies).

- According to the Department of Human Services, an increase to one-time state expenditures of approximately \$20,000 would be needed to pay the salary of state employees working on plan development whose salary would otherwise be paid from federal funds for specifically approved tasks.
- Grants will be made from the Green Jobs Fund for the administration of green jobs programs. The total amount of grants issued will depend on the amount of gifts, donations, and appropriations into the fund.
- According to the Department of Environment and Conservation, any increase to Department expenditures associated with reviewing projects or proposals would be not significant.
- Any increase to expenditures by the Department of Finance and Administration associated with administering the Green Jobs Fund will be not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "James W. White". The signature is fluid and cursive, with the first name "James" written in a larger, more prominent script than the last name "White".

James W. White, Executive Director

/jaw